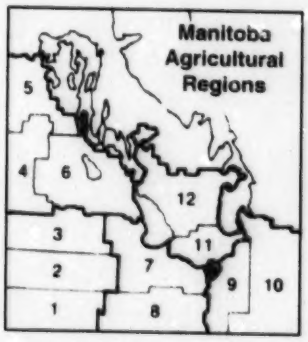
Manitoba
Agriculture
and Food

PROGRAM & POLICY ANALYSIS

Agriculture Statistics



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SUBJECT: **FARM INCOME OUTLOOK, 2002[P]**

- According to Agriculture and Agri-Food Canada, Manitoba farm cash receipts in 2002 could decrease to $3.52 billion, down by about 4.5 percent from the record of $3.69 billion in 2001.
- Receipts from livestock production are likely to decline to $1.78 billion in 2002, down by 2.1 percent from the 2001 record of $1.82 billion, due mainly to lower cattle and hog prices.
- Higher prices for most crops and the assumption of normal yields in 2002 could raise crop receipts by 6.4 percent to $1.58 billion. In both 2000 and 2001, Manitoba crop receipts were negatively impacted by excessive moisture in parts of the province, disease-affected grain crops and low crop prices for many crops.
- There were no estimates for ad hoc assistance programs for 2002, as the Canada/Manitoba Adjustment Program terminated in 2001. Crop insurance and NISA payments are expected to be down in 2002. Payments under the new Canada Farm Income Program will be lower than CFIP/AIDA combined in 2001. As a result, total direct payments to Manitoba farmers could decrease by 58.7 percent to $157.7 million in 2002.
- Farm operating expenses for 2002 have been projected at $2.69 billion, 0.9 percent above the 2001 level, while depreciation could be similar to the 2001 level.
- In 2002, net farm cash income could fall by an estimated 18.7 percent to $830.5 million, which is still the second highest level on record. Realized net income could be $477.8 million, a decline of 28.5 percent from 2001, but also the second highest ever.
- Realized net income per farm in 2002 is estimated at about $23,000 compared to $31,700 in 2001.

TABLE 1: FARM INCOME SUMMARY, MANITOBA, 2000-2002

	2000	2001[R]	2002[P]	02/01
	- thousand of dollars -			%
Crop Receipts	1,318,389	1,487,182	1,583,006	106
Livestock Receipts	1,568,921	1,819,396	1,781,511	98
Total Payments[1]	287,093	382,147	157,699	41
Total Cash Receipts	**3,174,403**	**3,688,725**	**3,522,216**	**96**
Net Operating Expenses	**2,531,146**	**2,667,390**	**2,691,678**	**101**
Net Cash Income	**643,257**	**1,021,335**	**830,538**	**81**
Income-In-Kind	9,069	9,086	9,061	100
Depreciation Charges	356,762	361,987	361,772	100
Realized Net Income	**295,564**	**668,434**	**477,827**	**72**
Value of Inventory Change	182,556	-8,866	-19,433	219
TOTAL NET INCOME	**478,120**	**659,568**	**458,394**	**70**

* Totals may not add due to rounding. [R] Revised [P] Preliminary [E] Estimated

[1] Includes gross payments directly paid to producers under Crop Insurance including private hail insurance, Dairy Subsidy, NISA and ad-hoc income support programs including Canada Farm Income Program, Canada/Manitoba Adjustment Program, AIDA and Manitoba Farm Disaster Assistance Program. Program premiums or levies paid by producers are included in operating expenses.

Market Analysis and Statistics Section
PH: (204) 945-2364
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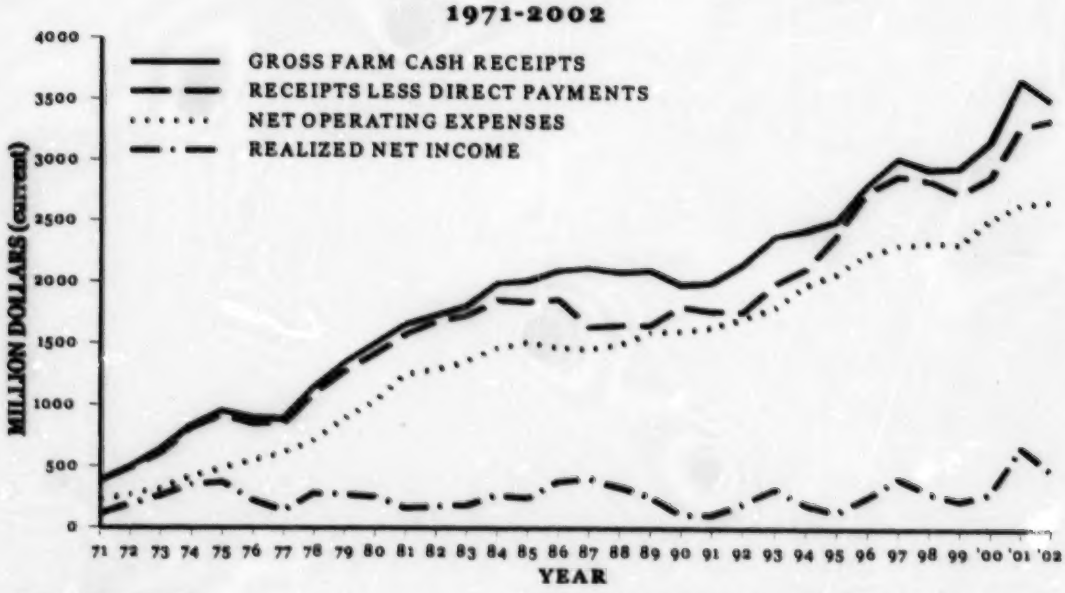
102-06793/

MANITOBA FARM INCOME AND EXPENSES

1971-2002



Source: Statistics Canada

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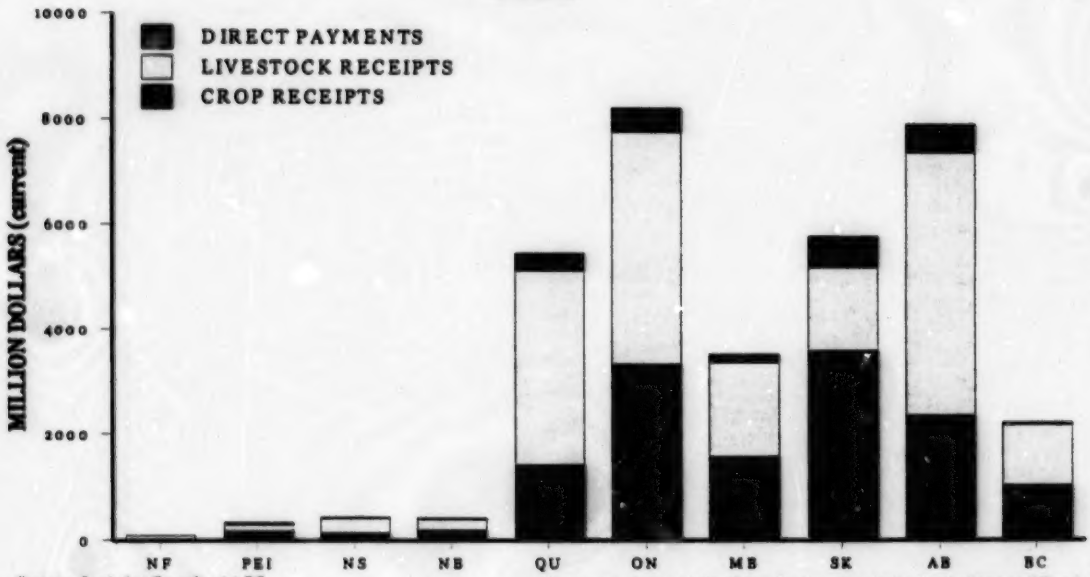
FARM CASH RECEIPTS BY PROVINCE

2002



Source: Statistics Canada, AAFC

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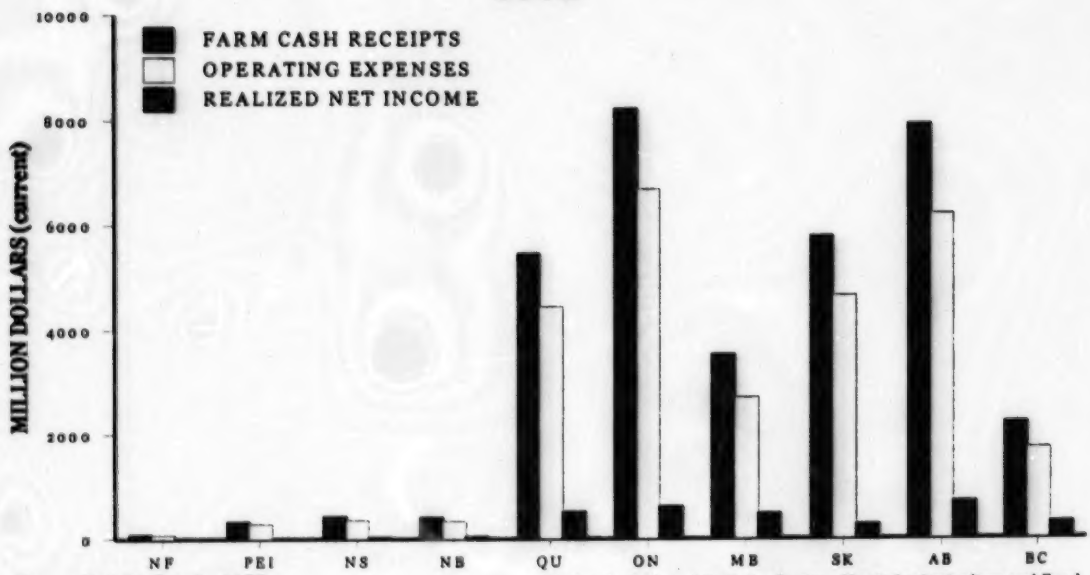
FARM INCOME BY PROVINCE

2002



Source: Statistics Canada, AAFC

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